

ASSEMBLY BILL

No. 667

Introduced by Assembly Member Mitchell

February 17, 2011

An act to amend Section 14132.25 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 667, as introduced, Mitchell. Medi-Cal: subacute care program.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law requires the department to establish a subacute care program in health facilities in order to more effectively use limited Medi-Cal dollars while ensuring needed services for patients who meet subacute care criteria, as established by the department. Existing law provides that, for the purposes of this program, subacute care may be provided by any facility designated by the Director of Health Care Services as meeting subacute care criteria and that has an approved provider participation agreement with the department. Existing law also provides that subacute patient care shall be defined by the department based on the results of a specified study.

This bill would delete the requirement that the department define subacute patient care based on the results of the study and would provide that, for the purposes of the subacute care program, medical necessity for pediatric subacute care services, as defined, shall be substantiated in one of 4 ways. This bill would also make technical, nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14132.25 of the Welfare and Institutions
2 Code is amended to read:
3 14132.25. (a) On or before July 1, 1983, the State Department
4 of Health Care Services shall establish a subacute care program
5 in health facilities in order to more effectively use the limited
6 Medi-Cal dollars available while, at the same time, ensuring needed
7 services for these patients. The subacute care program shall be
8 available to patients in *health* facilities who meet subacute care
9 criteria. Subacute care may be provided by any facility designated
10 by the director as meeting the subacute care criteria, ~~and which~~
11 that has an approved provider participation agreement with the
12 ~~State Department of Health Services department.~~
13 ~~The State Department of Health Services~~
14 (b) ~~The department~~ shall develop a rate of reimbursement for
15 this subacute care program. Reimbursement rates ~~will~~ shall be
16 determined in accordance with methodology developed by the
17 ~~State Department of Health Services department~~, specified in
18 regulation, and may include the following:
19 (1) ~~All-inclusive~~ All-inclusive per diem rates.
20 (2) Individual ~~patient-specific~~ patient-specific rates according
21 to the needs of the individual subacute care patient.
22 (3) Other rates subject to negotiation with the health facility.
23 ~~However, reimbursement~~
24 (c) *Reimbursement* at subacute care rates, *as specified in*
25 *subdivision (b)*, shall only be implemented ~~when~~ if funds are
26 available for this purpose pursuant to the annual Budget Act.
27 ~~The~~
28 (d) *The* department may negotiate and execute an agreement
29 with any health facility ~~which~~ that meets the standards for
30 providing subacute care. An agreement may be negotiated or
31 established between the health facility and the department for
32 subacute care based on individual patient assessment. The
33 department shall establish level of care criteria and appropriate
34 utilization controls for patients eligible for the subacute care
35 program.

1 ~~For the purposes of this section, subacute patient care shall be~~
2 ~~defined by the state department based on the results of its study~~
3 ~~pursuant to Chapter 1211 of the Statutes of 1980.~~

4 *(e) For the purposes of this section, pediatric subacute services*
5 *are the health care services needed by a person under 21 years of*
6 *age who uses a medical technology that compensates for the loss*
7 *of a vital bodily function.*

8 *(f) Medical necessity for pediatric subacute care services shall*
9 *be substantiated in any one of the following ways:*

10 *(1) A tracheostomy with dependence on mechanical ventilation*
11 *for a minimum of six hours each day.*

12 *(2) Dependence on tracheostomy care requiring suctioning at*
13 *least every six hours, and room air mist or oxygen as needed, and*
14 *dependence on one of the following treatment procedures:*

15 *(A) Dependence on continuous intravenous therapy, including*
16 *administration of a therapeutic agent necessary for hydration or*
17 *of intravenous pharmaceuticals, or intravenous pharmaceutical*
18 *administration of more than one agent, via a peripheral or central*
19 *line, without continuous infusion.*

20 *(B) Dependence on peritoneal dialysis treatments requiring at*
21 *least four exchanges every 24 hours.*

22 *(C) Dependence on tube feeding by means of a nasogastric or*
23 *gastrostomy tube.*

24 *(D) Dependence on at least one other medical technology*
25 *required continuously, which, in the opinion of the attending*
26 *physician and the Medi-Cal consultant, requires the services of a*
27 *professional nurse, including, but not limited to, the following:*

28 *(i) Variable/bilevel positive airway pressure (BiPAP) device.*

29 *(ii) Wound care.*

30 *(iii) Glucose stabilization for pediatric diabetic patients.*

31 *(iv) Breathing treatment at least four times per day.*

32 *(3) Dependence on total parenteral nutrition or other*
33 *intravenous nutritional support, and dependence on one of the*
34 *following treatment procedures:*

35 *(i) Dependence on intermittent suctioning at least every eight*
36 *hours and room air mist or oxygen as needed.*

37 *(ii) One of the treatment procedures specified in subparagraphs*
38 *(A) to (D), inclusive, of paragraph (2).*

39 *(4) Dependence on skilled nursing care in the administration*
40 *of any three of the following treatment procedures:*

- 1 (i) *Dependence on intermittent suctioning at least every eight*
- 2 *hours and room air mist or oxygen as needed.*
- 3 (ii) *Any of the treatment procedures specified in subparagraphs*
- 4 *(A) to (D), inclusive, of paragraph (2).*